

Interoffice Memo

February 9, 1995

To: Forsyth National Account Managers
Directors of National Accounts

From: Kathryn Noxon

Re: Alliance Accrual Catalog

The alliance catalog is in the process of being revised. A draft of the new book will be sent to you within the next few weeks to review. When you receive this draft book, please review it and let Gwen or I know if you have any changes. The new catalog should be available by the middle of March, if there are not many review changes. In order to assist you in your review, the changes in the catalog have been summarized below.

Reduction in the cost of premium items. The item costs on all premium items has been reduced. New price sheets will be sent to you when they are available. The price sheet will be included in the back of the premium section rather than on the page with the premium so any future price changes can be made without having to reprint the pictures of the premiums. Also, the premium items pictured will now have "Your Brand" shown on the premium instead of an actual brand name.

Addition of a new generic package/carton floor display. This new item replaces the wood floor display currently shown. The new item we will offer is the plastic modular floor display. Also, all generic permanent displays will now have generic POS included with the display.

New rates (annual increase) in TV guide ads. Also includes 1995 publication schedule and the name of the new TV guide contact : Dana Hopkins (same phone number) .

Inclusion of a second quarter work plan offer. Under this new approach, a customer has the option of ordering a "standard" quarterly workplan promotion for their Forsyth private label brand. The program offered for the second quarter is (a) 2 packs with a lighter or (b) 3 lighters with a carton. This promotion will come pre-packed in a 60/80 pack or 30 carton VAP shipper display that can be shipped directly to the retail store. Advertising will be included. This standard workplan could work well for accounts that do not have a specific promotion they want to work during the second quarter. There is a lead time of approximately 6 weeks for each order. A third quarter work plan has not yet been determined.

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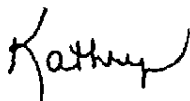
As information, a new process is currently being investigated that will significantly reduce the cost of custom POS items, if the initial logistics can be worked out. (i.e. there are some initial start up costs that RJR would have to cover) This section of the catalog may not be ready by mid- March however, we are working on this.

In addition to the changes mentioned above, we have **changed the procedures for processing the Special Request Form** for Alliance accrual dollars. These requests should now be sent directly to Customer Services (not Gwen) for processing. The new form is attached. Customer Services will now review these forms and obtain the appropriate level of approval. Customer Services will also be responsible for ensuring that any special requests from RJR Field managers are communicated to the Forsyth managers as appropriate.

The other sections of the catalog have not changed. However, I would like to remind everyone of the Sprint calling card program. In order to obtain this program, we had to pay Sprint \$100,000 for 50,000 calling cards, in advance. **These cards have an expiration date of 12/31/95.** Currently, we have only used 2,000 of the 50,000 cards initially purchased. If you have any customers that might be interested in the Sprint program, please try to work a program with them before these cards expire.

This should be the last time the catalog is reprinted. Plans are being made to add the Alliance catalog to the computers within the next few months and communicate all future changes via the LAN.

Please let me know if you have any questions or need any further information.



cc: J. R. Helm
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